



PERIOD IN REVIEW

FY 2022 -  
FY 2024

Australian  
Packaging Covenant  
Organisation

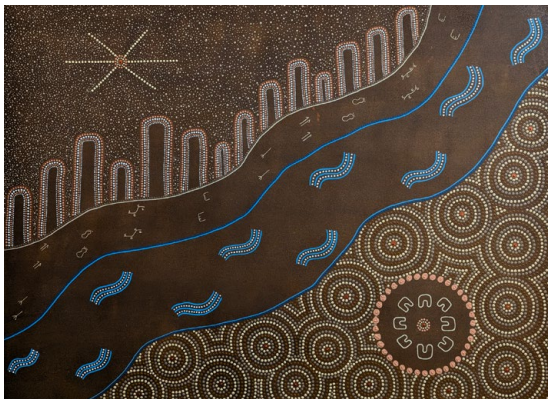


# Contents

<b>Acknowledgement of Country</b>	<b>3</b>
<b>Welcome</b>	<b>4</b>
Foreword from the CEO & Chair	4
<b>Executive summary</b>	<b>5</b>
<b>APCO’s background</b>	<b>6</b>
<b>Last 24-month snapshot</b>	<b>7</b>
<b>Governance and leadership</b>	<b>9</b>
APCO Board	9
APCO Executive team	9
<b>Our approach</b>	<b>10</b>
<b>Action across the packaging value chain</b>	<b>11</b>
Packaging is designed for reduction, reuse and recovery	11
Users increase utilisation of reuse systems and recycle packaging correctly	12
Reuse and recovery systems are in place for all packaging	13
Local and global demand for Australian recycled materials meets supply	14
<b>2030 Strategic Plan</b>	<b>15</b>
<b>Program logic</b>	<b>16</b>
<b>Financial performance</b>	<b>17</b>
<b>Looking ahead</b>	<b>17</b>



# Acknowledgement of Country



Artist: Tanya Antaw, Yulanbay Art, Proud Gamilaraay woman

**We acknowledge the Traditional Owners of Country throughout Australia and recognise their enduring connection to land, skies, waters, and communities.**

**We pay our respects to their Elders past and present and honour the cultural, spiritual, and educational practices of Aboriginal and Torres Strait Islander peoples.**

For over 65,000 years, First Nations peoples have been the Custodians of this land, guided by a deep understanding of its ecosystems and natural resources. Their knowledge of sustainable living, land care, and stewardship is invaluable as we work towards creating a circular economy in Australia.

We recognise that Indigenous Knowledge systems—built on caring for country, understanding seasonal patterns, and maintaining balance between people and nature—are essential to our collective journey towards a more sustainable future.

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# Welcome

## WELCOME FROM CHRIS FOLEY (CEO)

**As we reflect on the past two years, we acknowledge both the impressive strides made by our members and the significant challenges that lie ahead in delivering a more sustainable packaging future.**



Across the industry, many of our members are innovating and embracing change, driving progress that sets new benchmarks for what is possible. However, the reality is that despite these efforts, meeting the National Packaging Targets remains a distant goal. A step change is urgently needed—business as usual simply won't cut it.

The backdrop of the past two years has been one of volatility, complexity and, change. Consumer confidence has been shaken, and there is little assurance for reprocessors who are vital to a functioning circular economy. Brands are being held to account by consumers and governments for their packaging choices, reinforcing the importance of getting this right. Sustainability in packaging is no longer a 'nice to have'—it is now a business imperative.

We find ourselves at a critical juncture, with new regulations on packaging design and mandated inclusion of recycled content on the horizon. The industry is under increased scrutiny and pressure, not just from regulators but also from the consumers we serve and the broader business community and Non-Government Organisations (NGO). This environment of heightened accountability presents both an opportunity and a challenge—a call to action for us all to rethink, reimagine, and reset our approach to packaging sustainability.

In response to this, APCO has launched its 2030 Strategic Plan, designed to guide our industry towards the systemic changes required to meet our shared goals. Our new strategy lays out an ambitious path forward, with clear priorities that address the urgent need for circularity, greater transparency, and a stronger emphasis on partnership and collaboration.

Ultimately, building consumer confidence, securing reprocessor assurance, and maintaining the social license for brand owners depend on our collective ability to deliver on these commitments. The time to act is now, and together, we have the opportunity to shape a better, more sustainable future for packaging in Australia.

## THANK YOU FROM SAM ANDERSEN (CHAIR)

**The past two years have been a period of profound transformation and progress for APCO. As Chair of the Board, I am proud to see how far we have come in our mission to drive systemic change in the packaging sector.**



Our commitment to strong governance, transparency, and accountability has been at the forefront of our approach, ensuring that we are well-positioned to lead the industry through an increasingly complex landscape.

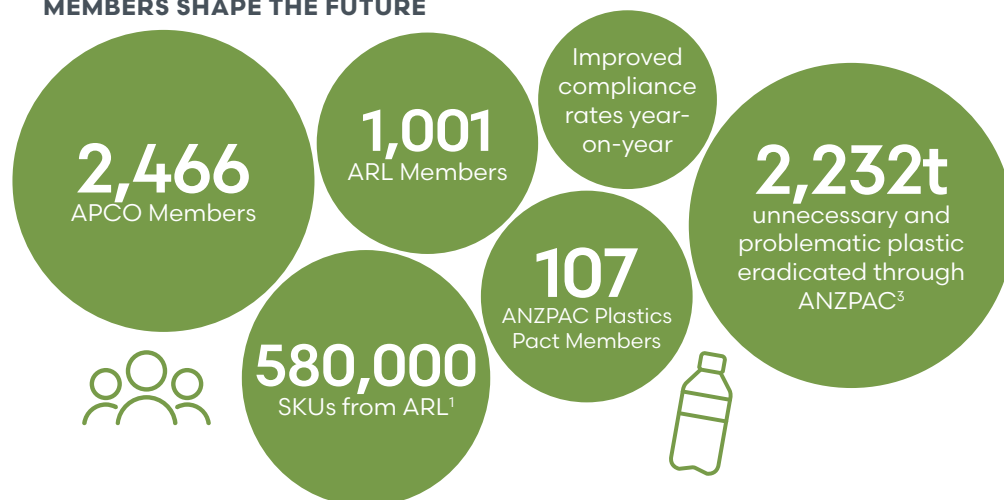
APCO has made significant strides in enhancing our governance frameworks, strengthening the rigour of our reporting, and increasing engagement with our members and stakeholders. These improvements are not merely administrative—they are foundational to our ability to deliver on our goals. As we look ahead, the importance of robust governance cannot be overstated; it underpins our credibility and is critical as we move towards the implementation of the 2030 Strategic Plan.

This period has also highlighted the growing expectations placed on the packaging industry. There is an undeniable shift, with sustainability no longer optional but essential. APCO's role in guiding the industry through this period of transition has never been more important. Our focus on providing clear, data-driven insights and fostering collaborative partnerships has positioned APCO as a trusted voice in the sector, and our commitment to transparency continues to build trust with our stakeholders.

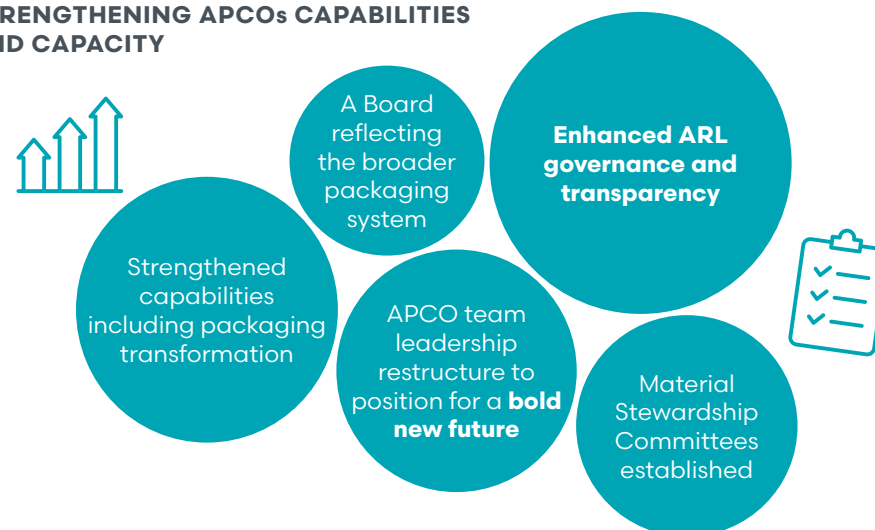
As we prepare to embark on the next chapter with the launch of the 2030 Strategic Plan, we are acutely aware of the work that lies ahead. I would like to thank the Board, the APCO team, and all our members for their dedication and support over the past two years. The progress we have made is a testament to your hard work and commitment. As we look towards the future, I am confident that, together, we will continue to build on this foundation, driving the packaging industry forward with renewed purpose and resolve.

# Executive summary

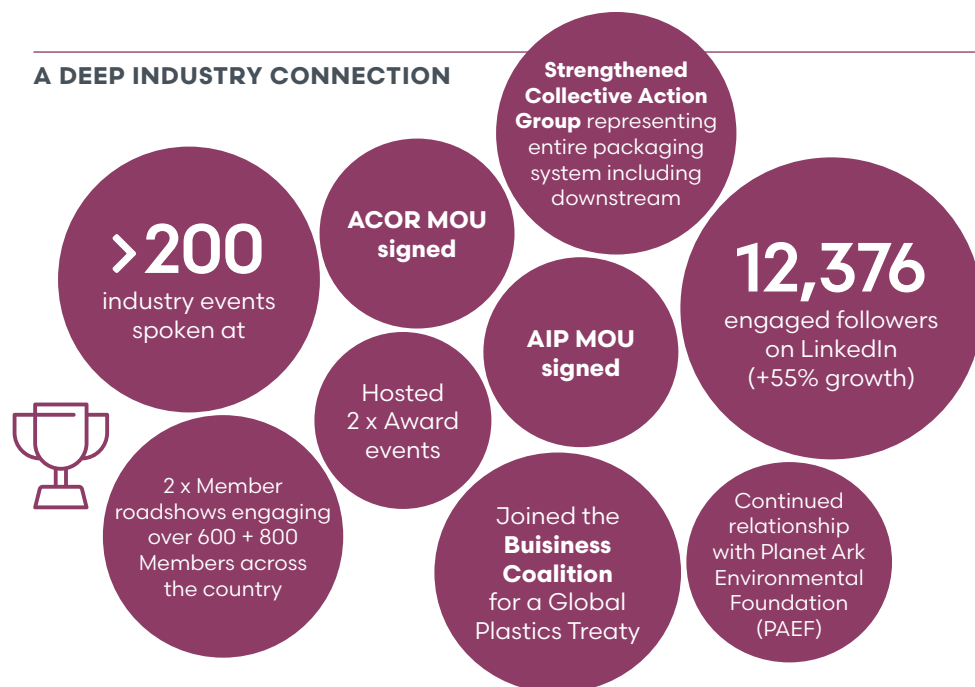
## MEMBERS SHAPE THE FUTURE



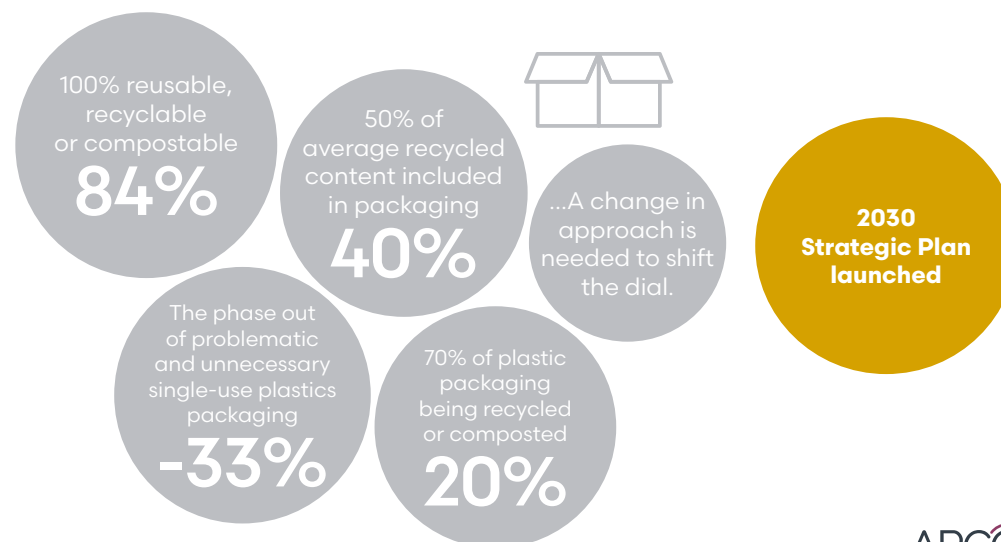
## STRENGTHENING APCOs CAPABILITIES AND CAPACITY



## A DEEP INDUSTRY CONNECTION



## DESPITE ALL THE HARD WORK BY MEMBERS AND THE INDUSTRY... WE WON'T MEET THE NATIONAL PACKAGING TARGETS BY 2025



1. ARL Annual Reporting FY24. 2. ARL Consumer testing June 2024. 3. FY21 ANZPAC report.  
\*Source consumption and recovery report FY22–23. (All data correct as at 30 June 2024)

# APCO's background

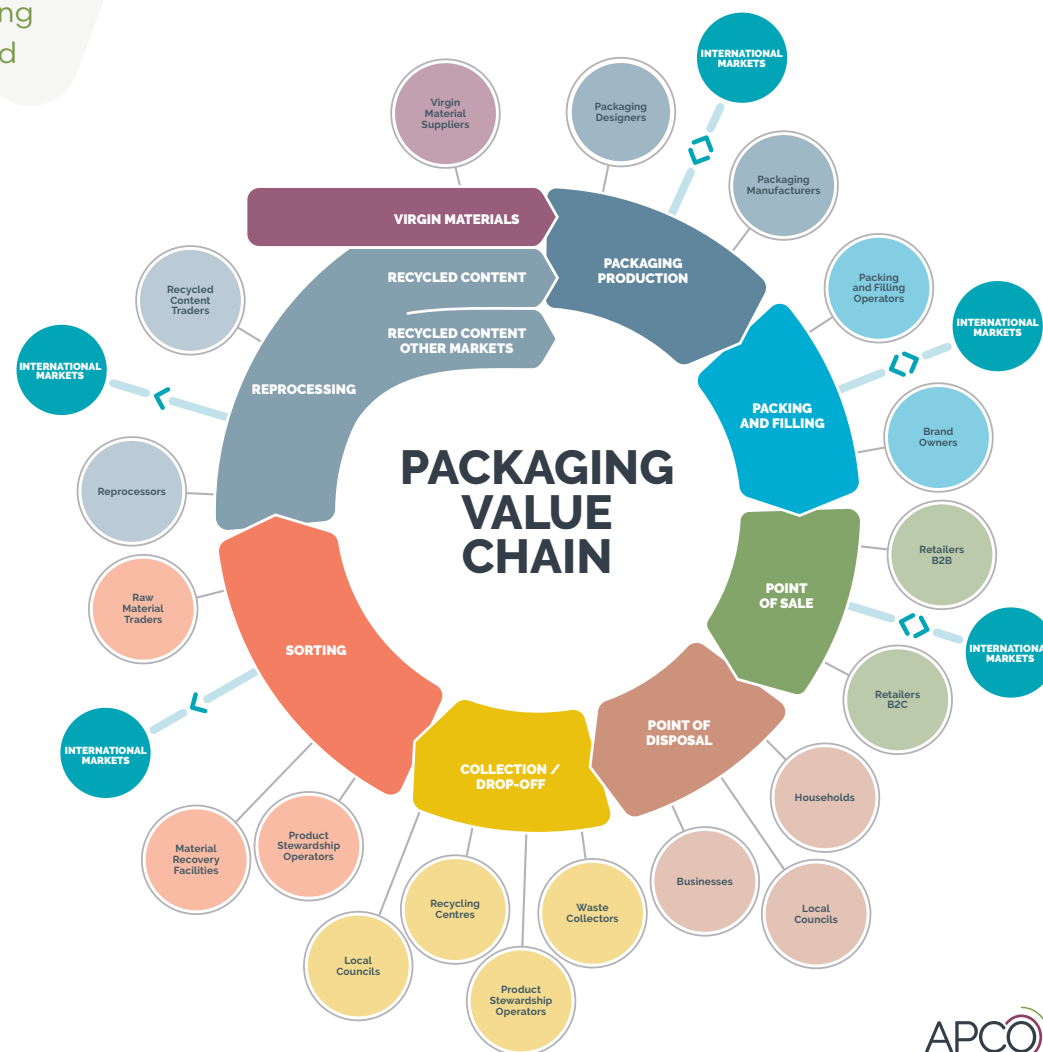
**The Australian Packaging Covenant Organisation (APCO) was established as a co-regulatory, industry-led initiative to advance packaging stewardship in Australia.**

In 2017/18, the fourth iteration of the Covenant came into effect, marking a significant shift with the introduction of independent governance and an apolitical approach, allowing APCO to focus on areas where the industry can have the most influence, particularly packaging design.

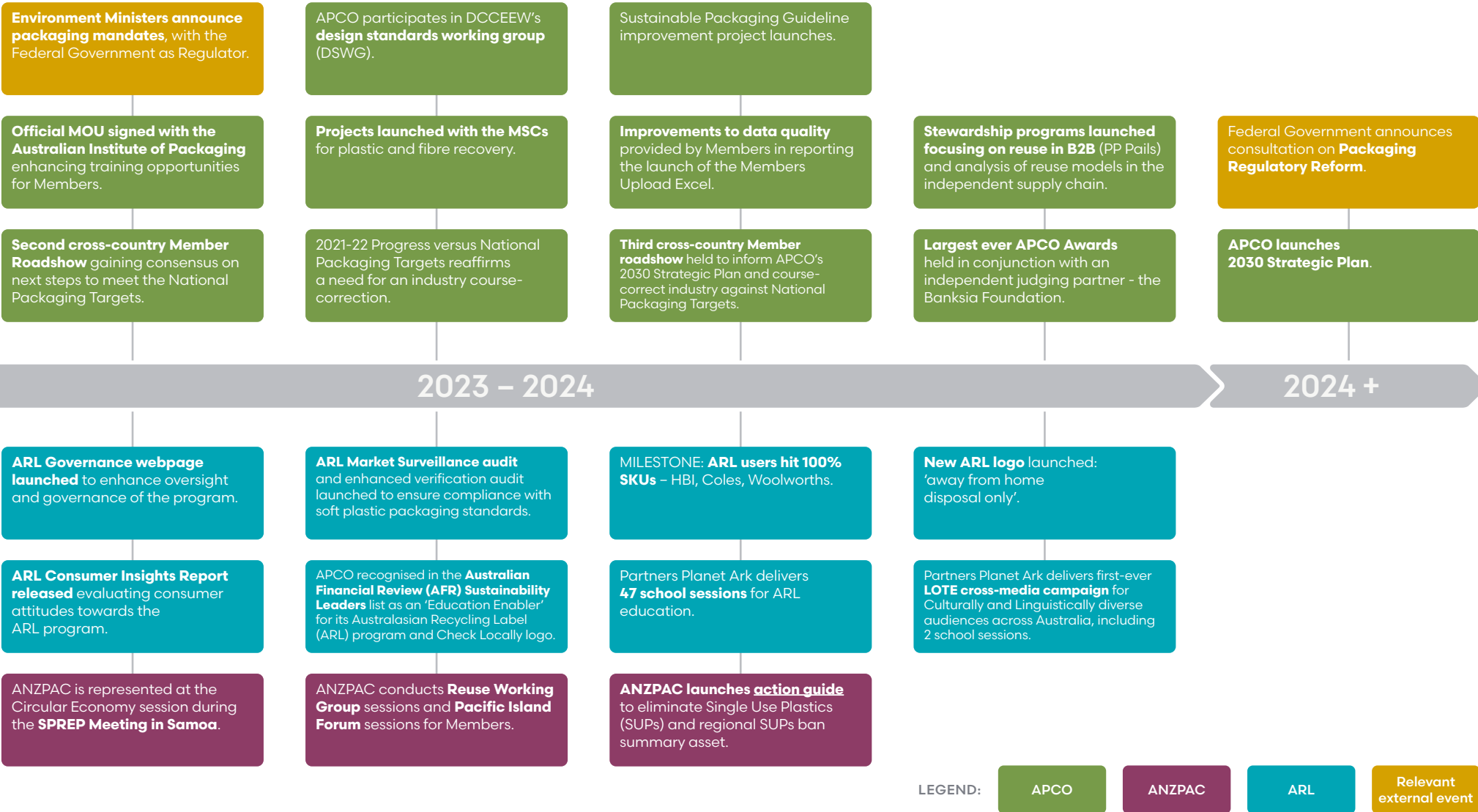
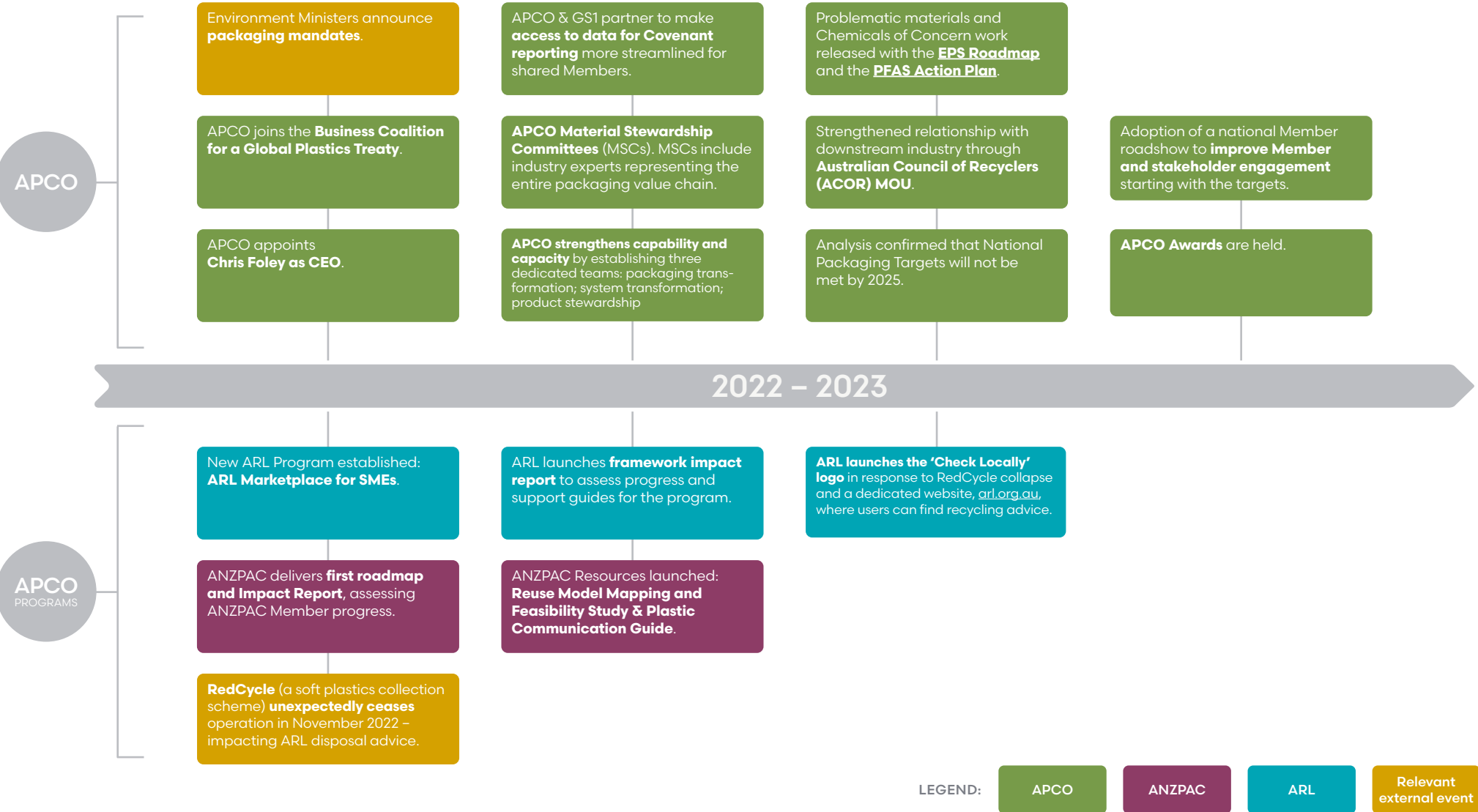
APCO led the development of the National Packaging Targets (NPTs) and mapped material flows to understand the landscape of packaging in Australia. Member reporting against a new framework was also introduced, fostering greater accountability and transparency across the value chain. As a convener of stakeholders, from brand owners to the waste and reprocessing sectors, APCO ensures a holistic approach to improving packaging's lifecycle.

APCO drives a range of initiatives aimed at promoting packaging circularity, such as the Australasian Recycling Label (ARL), which provides consumers with clear, evidence-based recycling instructions, and the ANZPAC Plastics Pact and NGO's to combat plastic waste in remote and regional communities. Working closely with government, APCO supports key national initiatives, including the 2025 National Packaging Targets (NPTs) — critical steps toward a circular economy for packaging in Australia.

Following a comprehensive review in late 2022, it became clear that the NPTs would not be met under the existing framework. This prompted the industry's call for a shift towards an extended producer responsibility model, aligning with the packaging reforms announced in October 2022. To support this transition, APCO launched the 2030 Strategic Plan, building on its achievements and setting a bold course to ensure greater impact moving forward.



# Last 24-month snapshot





# Governance and leadership

## APCO BOARD

The APCO Board holds a diverse representation across sectors, industries and associations. The independent Board structure provides APCO with a systemic view of the packaging chain and enables the executive team to draw on the insights and skills of a range of organisations.

The Board is made up of ten directors, which fall under one of four categories Brand Owner, Industry Association Director, Independent Director or Skills-based Director.

### INDEPENDENT DIRECTORS



**Sandra (Sam) Andersen**  
Chair



**Trent Bartlett**



**Freya Marsden**

### INDUSTRY ASSOCIATION DIRECTORS



**Lee Smith**  
Australian Council of Recycling



**Richard Smith**  
Australian Institute of Packaging



**Fiona Baxter**  
Australian Food and Grocery Council

### BRAND OWNER DIRECTORS



**Margaret Stuart**  
Nestlé Oceania



**Jasmine Medwell**  
Woolworths



**Fiona Lawrie**  
Officeworks

### SKILLS-BASED DIRECTORS



**Andrew Petersen**  
Business Council for Sustainable  
Development Australia



**Alan Adams**  
Sealed Air Corporation

## APCO EXECUTIVE TEAM

As APCO prepares to take on a bold new strategy for a better packaging future, we have reset and strengthened our team. This includes the formation of new functions and capabilities in areas including Packaging Technology and Product Stewardship.

### EXECUTIVE



**Chris Foley**  
Chief Executive Officer



**Sandra Dal Maso**  
Head of Packaging Transformation



**Liam O'Keefe**  
Head of Product Stewardship



**Sarah Sannen**  
Head of Operations



**Anna Cullinane**  
Chief Financial Officer



**Peter Brisbane**  
Head of Government  
Partnerships



**Chloe Rose**  
Head of Marketing and  
Communication



**Hannah Sullivan**  
People and Culture Manager

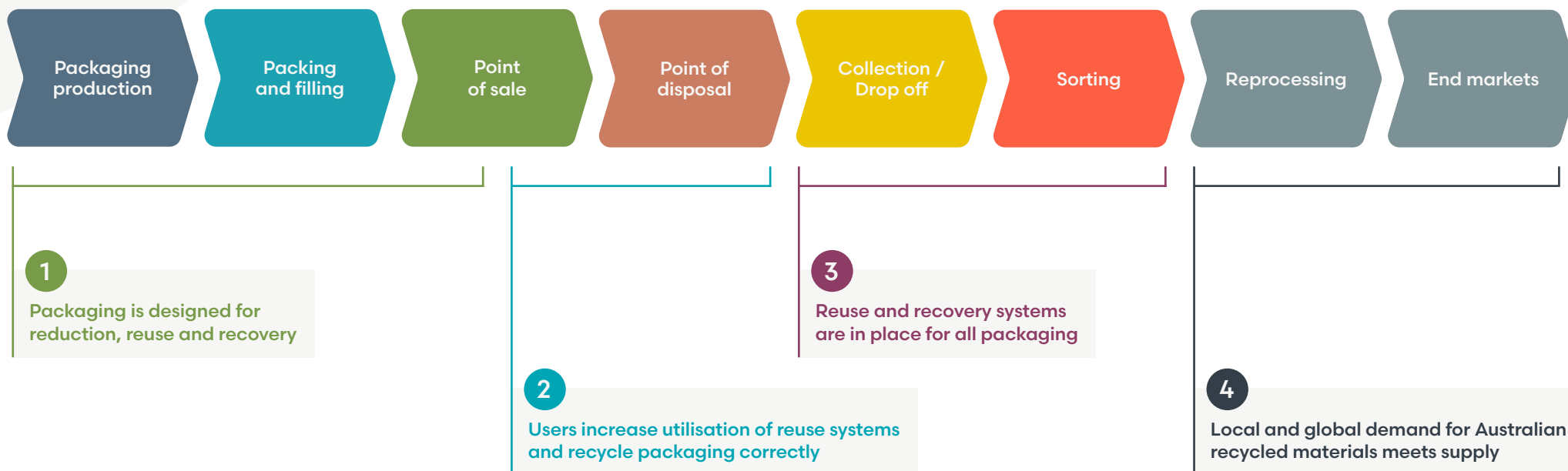
Team correct at time of publication.



# Our approach

*APCO has used program logic to frame its work across the packaging value chain to ensure that the goals of the Covenant, and the National Packaging Targets are realised.*

These culminate in four areas under which activities, programs and system enablers are delivered. Those 4 areas are “packaging is designed for reduction, reuse and recovery”, “users increase the utilisation of reuse systems and recycle packaging correctly”, “Reuse and recovery systems are in place for all packaging” and “Local and global demand for Australian recycled materials meets supply”.



# Action across the packaging value chain

1 Packaging is designed for reduction, reuse and recovery

## Steering design excellence with Sustainable Packaging Guidelines (SPGs)

APCO is reviewing the SPGs to ensure they remain current and align with international and local best practices. This update will harmonise Australian design standards with global benchmarks. The revised SPGs will guide businesses in optimising packaging design thinking in Australia.



## Eliminating problematic materials: promoting extended producer responsibility (EPR)

APCO is leading the phase-out of problematic materials like single-use plastics (SUPs), expanded polystyrene (EPS) and materials containing per- and polyfluoroalkyl substances (PFAS) through comprehensive action plans in collaboration with government and industry partners.

2 Users increase utilisation of reuse systems and recycle packaging correctly



## Design expertise and collaboration through Material Stewardship Committees

APCO's Material Stewardship Committees (MSCs) bring together over 70 packaging professionals and experts across the value chain to shape strategic roadmaps and action plans. Supported by the Packaging Transformation team, their deep expertise and industry reputation ensure authoritative and actionable guidance. These committees focus on plastics, fibre, labels, metal, and glass, steering the packaging industry toward improved environmental outcomes.

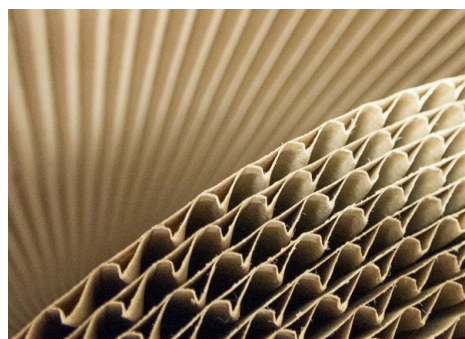


## Action Plan to Phase out PFAS in Fibre-Based Food Contact Packaging

In September 2022, APCO introduced the first Australian Action Plan to phase out PFAS in fibre-based food contact packaging. This initiative brought the industry together to develop a strategy for removing per- and polyfluoroalkyl substances (PFAS), which, while useful in various applications, are environmentally persistent and challenging to recycle. PFAS's strong chemical bonds contribute to their durability but also their potential for environmental pollution.



3 Reuse and recovery systems are in place for all packaging



4 Local and global demand for Australian recycled materials meets supply

## Celebrating circular design champions

The Annual Awards are where the best in the industry come together to celebrate and drive positive change. In 2023, the event broke records, securing the highest number of award applications ever received. 105 entrants, 59 finalists, 23 winners. This was the first year the awards were open to all of industry to apply, thanks to a newly established partnership with the Banksia Foundation. The Foundation facilitated an independent judging panel, allowing APCO to ensure fairness, expertise, and impartiality throughout the judging process.

## Best-in-class training program with Australian Institute of Packaging

APCO partners with Australian Institute of Packaging (AIP) to create a renowned training program dedicated to upskilling professionals with the knowledge and tools to address today's regulatory, environmental, and social packaging standards.

The signed Memorandum of Understanding signifies both organisation's commitment to advancing sustainable packaging design skills.

## New material standards for recyclability

APCO is tackling the challenge of confusing material choices by developing comprehensive standards for different packaging. These clear, industry-wide guidelines will ensure accountability and help organisations choose materials that minimise environmental impact.

# Action across the packaging value chain

1 Packaging is designed for reduction, reuse and recovery

2 Users increase utilisation of reuse systems and recycle packaging correctly

3 Reuse and recovery systems are in place for all packaging

4 Local and global demand for Australian recycled materials meets supply

## Delivering clear recycling guidance with ARL and Recycle Mate

The Australasian Recycling Label (ARL) program has advanced significantly in the past two years to keep up with changing packaging practices. Partnering with Recycle Mate, the ARL has introduced a versatile “Check Locally” logo for soft plastics and other non-kerbside recyclable materials. This logo directs consumers to [arl.org.au](http://arl.org.au) to locate nearby collection points.

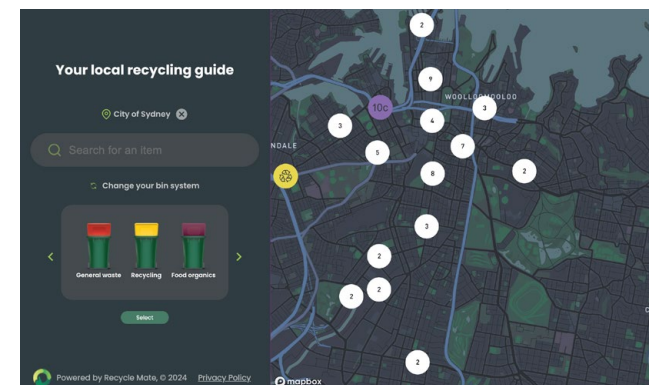
As Australia’s soft plastic recycling capabilities and collection methods evolve, the “Check Locally” logo will adapt, reducing the need for frequent label updates by brands and ensuring consumers receive current recycling guidance.

In February 2024, Simply Cups, Australia’s largest paper cup recycling facility, was recognised as an ‘Alternative Destination’

under the ARL program. This initiative also uses Recycle Mate’s platform, directing consumers to [arl.org.au](http://arl.org.au) to find one of Simply Cups’ 1,500 collection points.

In December 2023, the ARL Program launched a governance webpage to improve transparency. This page includes:

- An ARL work plan for tracking updates and upcoming reviews, helping organisations prepare for PREP assessments and artwork changes.
- A “Have Your Say” section for public consultation on significant proposed changes, allowing stakeholders to provide feedback.
- Information on key ARL governance committees and a channel for direct feedback to the ARL team.



## Strengthening ARL Compliance

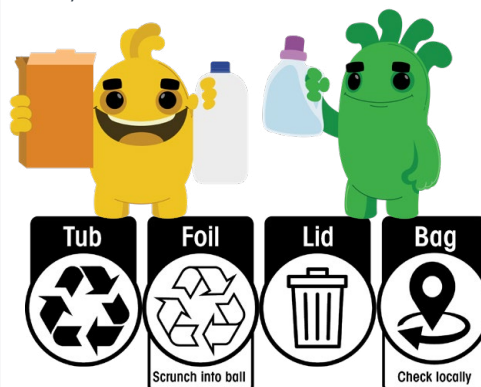
With the rapid growth and expanding reach of the ARL program, the team has also grown significantly. In FY22-FY24, we introduced the ARL Compliance Team, specifically tasked with identifying and addressing non-compliance issues within the program. Additionally, we conducted the program’s first ‘bin audit,’ where the ARL team inspected bins to assess adherence to ARL guidelines and identify potential problem areas.



The governance page also aligns the program closer with the ISEAL Code of Good Conduct for labelling and the ISO14020 series of standards. The ARL Team is continuing to work towards strong alignment with ISEAL and the ISO14020 series of standards through the development of standards which will become publicly available. These standards will outline the thresholds of the program that organisations are required to meet to achieve each ARL icon.

## Simplifying behaviour change with Planet Ark

APCO’s partnership with Planet Ark is a strategic collaboration aimed at influencing sustainable behaviour for the everyday consumer. The program focuses on recycling education, increasing consumer awareness, and developing innovative marketing solutions for a more sustainable packaging ecosystem.



## ARL Marketplace: A dedicated hub to empower small businesses

In FY23, the ARL Marketplace was established to empower small businesses by providing easier access to packaging that meets the Australian Recycling Label (ARL) standards. The ARL Marketplace enables members of the APCO, including packaging manufacturers and suppliers, to list their packaging products that already feature the ARL.

This platform allows small businesses to source packaging that has been evaluated for recyclability and is ready to feature the ARL, streamlining their process of ensuring compliance with recycling standards and promoting sustainable packaging practices.

[ARL Marketplace →](#)



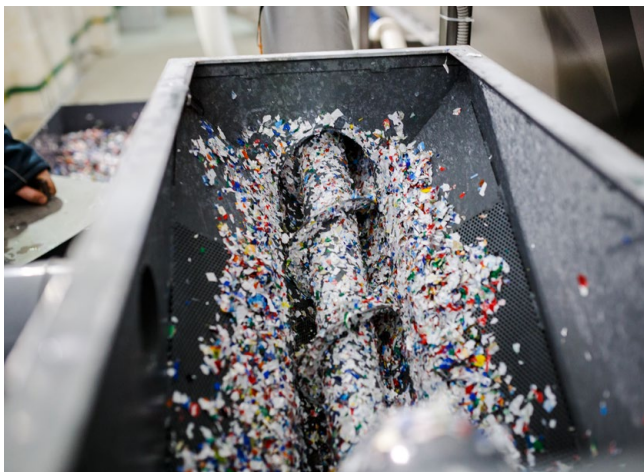
# Action across the packaging value chain

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2 Users increase utilisation of reuse systems and recycle packaging correctly

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4 Local and global demand for Australian recycled materials meets supply



## ACOR partnership: Collaborating with experts from the packaging value chain

APCO established a Memorandum of Understanding (MoU) with the Australian Council of Recycling (ACOR) to improve end-of-life outcomes for packaging. This strategic partnership aims to develop tangible and actionable plans that leverage ACOR's expertise and engagement in the recycling and recovery sector, complemented by APCO's insights and initiatives throughout the packaging ecosystem.



## ANZPAC Plastic Pact program caters to remote and regional locations

Between FY22 and FY24, the ANZPAC Plastics Pact shifted its focus towards delivering impactful projects aimed at driving tangible results in plastic circularity. In May 2023, the first ANZPAC Impact Report was released, offering key data and insights on the region's progress, highlighting gaps and opportunities towards the 2025 Regional Plastics Targets.

Projects such as the Circular Pacific Plastics initiative and reuse activation efforts are helping members adopt sustainable practices. Other initiatives, including a business case for the Northern Territory and the development of Circular Design Principles, further support ANZPAC's goals for plastic recovery and sustainable packaging design.



## Activating change through Product Stewardship

In FY24, we formally introduced APCO's Product Stewardship Team. This team is dedicated to facilitating industry collaboration on initiatives related to packaging stewardship and extended producer responsibility (EPR).

The current focus includes several key projects: initiating an EPR program for expanded polystyrene, developing a stewardship program for food service polypropylene pails in partnership with the Food Services Association of Australia, and developing a business-to-business (B2B) reuse project. These initiatives are crucial in supporting businesses in driving industry-wide solutions.



# Action across the packaging value chain

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## Delivering actionable recommendation for key packaging materials

The Australian Packaging Consumption and Recovery report presents a clear picture of Australia's packaging landscape, providing vital data to track progress towards the 2025 National Packaging Targets. It provides a comprehensive overview of packaging consumption and recovery rates across various materials and pinpoint areas needing attention. It informs strategic decisions to improve packaging sustainability.



## Recycled Content Options Paper

In collaboration with DCCEEW, APCO released a Recycled Content Options Paper to support members and key stakeholders in understanding future requirements for recycled content in packaging. The paper consolidates industry feedback, global research, and scenario modelling to present achievable options for adopting recycled content. It aims to assist the government in exploring recycled content mandates as part of its upcoming policy review and public consultation. The paper also addresses key industry concerns, evidence requirements, and compliance processes for validating recycled content claims.

## Extended Producer Responsibility for Expanded Polystyrene

Where EPS is not able to be phased out, APCO is facilitating the development of an EPS Extended Producer Responsibility (EPR) with industry. Working closely with the local EPS manufacturing sector and importers of EPS packaging, APCO is providing the resources to engage and convene industry, develop rigorous data sets, map material recovery supply chains and quantify associated costs in order to frame an effective and efficient stewardship program to capture and recycle packaging EPS placed on the Australian market. (EPS)



## System wide perspective from APCO's Collective Action Group

The Collective Action Group (CAG) is a team of leading industry representatives from across the supply chain and all levels of government, providing insights and advice to management to assist the design and implementation of change as we advance to a more sustainable packaging ecosystem.

The CAG focuses on addressing key system influencing issues and opportunities, filling in data gaps and providing insights to help guide APCO's activities and align industry.

# 2030 Strategic Plan

*Significant progress has been made under APCO's approach and program logic, including efforts to improve packaging design, create system enablers, and drive market conditions that support sustainability.*



**Now, the industry stands at a pivotal moment of transformation, and APCO's 2030 Strategic Plan builds on this success by introducing eco-modulated fees – a game-changing approach that incentivises sustainable packaging design and directly addresses key economic gaps in packaging circularity that are hampering progress against the national packaging targets.**

This shift signals the industry's decisive move toward an extended producer responsibility model. Alongside this, APCO is intensifying its efforts to strengthen decision-making confidence, increase transparency across the supply chain, and enforce compliance to ensure lasting impact.

# Program logic

## Impact

**Goals of the Covenant:** Improve resource recovery of packaging; Prevent the impacts of litter

### NATIONAL PACKAGING TARGETS:

100% of Australia's packaging is reusable, recyclable or compostable

70% of plastic packaging is recycled or composted

Packaging contains an average of 50% recycled content

Problematic and unnecessary single-use plastic packaging is phased out

## Strategies and outputs

1

### Packaging is designed for reduction, reuse and recovery

- 1.1 Australia's packaging design requirements are informed by best practice
- 1.2 Brand owners understand packaging design requirements
- 1.3 Eco-modulation of APCO member fees incentivises packaging design for reduction, reuse and recovery and use of Australian recycled content

2

### Users increase utilisation of reuse systems and recycle packaging correctly

- 2.1 Consumers understand how and are encouraged to recycle packaging correctly
- 2.2 Consumers understand how and are encouraged to reduce and reuse packaging and avoid littering
- 2.3 Supply chain participants understand their business case for reuse and recovery of business-to-business packaging

3

### Reuse and recovery systems are in place for all packaging

- 3.1 Supply chain participants understand their business case to establish and expand reuse models
- 3.2 Effective EPR schemes are in place for collection and recovery of materials not otherwise collected through kerbside systems or CDS
- 3.3 High quality information is available to inform investment in and optimisation of recovery systems

4

### Local and global demand for Australian recycled materials meets supply

- 4.1 Supply chain participants understand their business case for the use of recycled materials
- 4.2 New packaging and non-packaging markets for recycled materials are enabled through the removal of technical and economic barriers
- 4.3 Users and stakeholders have confidence in recycled materials and recycled content claim

5

### Financial resources within the system are sufficient to enable the required outcomes

- 5.1 System costs and the marginal impact of expenditure at different points of the system are accurately assessed
- 5.2 Covenant funds are allocated within the downstream system to ensure efficient delivery of additional recycling, reuse and litter reduction, and incentivise investments

6

### Stakeholders have confidence in system decision-making and integrity

- 6.1 Industry participation is maximised through effective compliance protocols and collaboration with government agencies
- 6.2 Informed and co-ordinated decision-making across the system is enabled through inclusive governance and effective strategy
- 6.3 Effective assurance protocols ensure system and program integrity
- 6.4 Regular and timely public reporting and data release enable assessment of performance against targets, goals and indicators

#### Key:

1 Strategy

1.1 Output

## Financial performance

APCO is a registered charity. For up-to-date information regarding the financial performance of APCO, please visit the Australian Charities and Not for Profits Commission (ACNC) website. APCO's profile can be found [here](#).

## Product stewardship

APCO is an accredited product stewardship scheme accredited by the Australian Government. A full list of accredited arrangements can be found [here](#).



## Looking ahead

**With regulatory reforms on the horizon, the APCO 2030 Strategic Plan progressing, and long-awaited packaging design mandates taking shape, change is ahead.**

It's a once-in-a-generation opportunity to reshape the system, and while the road ahead may bring uncertainty and change, it's one we're excited to be on together. At APCO, we are here to support our members in navigating this evolving landscape. This is a moment for bold action, and the work we do now will define the future of packaging.

Together, we look forward to taking the next steps, advancing progress across the value chain, and making the most of this opportunity for lasting change.

Thank you for your continued support and input. We welcome you to join us as we work together to create better experiences for a better tomorrow.

To contact APCO, please visit our website:

[www.apco.org.au](http://www.apco.org.au)





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